GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5958
ANSWERED ON:02.05.2003
CLOSURE OF HANDLOOM AND POWERLOOM SECTOR
NIVEDITA MANE;YEMPARALA VENKATESWARA RAO

Will the Minister of TEXTILES be pleased to state:

(a) whether the handloom and powerloom sector is on the verge of closure in the country particularly in Maharashtra;

(b) whether the traditional weavers are facing acute financial difficulties as a result of closure of the handloom and powerlooms units in the region;

(c) whether the Handloom Corporation of India have failed to come to the rescue of thelarge number of weavers because of the paucity of funds;

(d) whether the sops offered by the Government by way of Janata Cloth Scheme in 1976 and grant of subsidy has been withdrawn;

(e) if so, the steps taken by the Government to revive the handloom and powerloom industry which is the pride of Vidarbha region; and

(f) the financial assistance package being provided to the various State Governments for the revival of this sector.

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL (YATNAL)

(a) & (b)Ministry of Textiles has not received any report from any State Government stating that the handloom and powerloom units are on the verge of closure.

(c) The National Handloom Development Corporation is engaged in supply of yarn, dyes & chemical to the handloom organizations. This work is not affected due to paucity of funds.

(d) The Janata Cloth Scheme was discontinued during the end of 1997-98, and does not have any impact on the handloom sector at present.

(e) The Government of India is implementing the following Schemes for the overall development of the handloom sector and for the welfare of handloom weavers throughout the country including in Maharashtra: -

1. Design Development & Training Programme
2. Marketing Promotion Programme
3. Mill Gate Price Scheme
4. Deen Dayal Hathkarga Prothsahan Yojana
5. Workshed-cum-Housing Scheme
6. Weavers Welfare Scheme
7. Handloom Export Scheme
8. Implementation of Handlooms (Reservation of Articles for Production) Act, 1985.

As far as powerloom sector is concerned, Government has taken following initiatives to facilitate growth of the powerloom industry;-

(i) A programme for induction of 50,000 shuttle-less and for 2.50 lakh semi automatic and automatic looms in the decentralized powerloom sector has been announced. Incentives are available under the Technology Up-gradation Fund Scheme where the powerloom owner can either avail 12% upfront Capital Linked subsidy or reduce cost of borrowing the capital by interest reimbursement of 5%.

(ii) Forty-four Powerloom Service Centres, established to provide service, such as designs, training, skill up-gradation land the testing facilities to the powerloom weavers

(iii) Seventeen Computer Aided Design Centres in Powerloom Service Centres have been established to facilitate the creation of new designs and improve design and production.

(iv) Powerloom Export Entitlement (PEE) quota has been provided to encourage export s of powerloom cloth; and

(v) Welfare scheme for Insurance is being implemented for the powerloom weavers.

(f) Government of India has released Rs.107.26 crores to various State Governments for the implementation of various handloom schemes during 2002-03. These schemes will be continued to be implemented during the current year with an outlay of Rs.156.77 crores.